



TWG: Fees

Meeting: #1

Date: August 30, 2018

Time: 1:00 p.m.

Attendees:

- | | |
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| <input checked="" type="checkbox"/> Sandy Bahr, Sierra Club | <input type="checkbox"/> Amanda McGennis, Arizona Chapter
Associated General Contractor |
| <input checked="" type="checkbox"/> Mason Bolitho, Haley & Aldrich | <input checked="" type="checkbox"/> Rebecca Hudson Nunez, Freeport-McMoRan |
| <input checked="" type="checkbox"/> Jeremy Browning, Gov Group | <input checked="" type="checkbox"/> Marcia Sorensen, City of Peoria |
| <input checked="" type="checkbox"/> Marina Estrella, City of Phoenix | <input checked="" type="checkbox"/> Jerry D. Worsham II, Cavanagh Law Firm |
| <input checked="" type="checkbox"/> Adam Hawkins, Global External | <input checked="" type="checkbox"/> Duane Yantorno, Asarco |
| <input type="checkbox"/> Christopher "Kit" MacDonald, U.S. Forest
Service - Coconino and Kaibab National Forests | |

Staff Support:

- | | |
|---|---|
| <input checked="" type="checkbox"/> David Lelsz, ADEQ | <input checked="" type="checkbox"/> Theresa Gunn, GCI |
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Discussion Items:

- TWG Charter Discussion
 - Difficult challenge to move from a no charge program to a direct fee-based program
 - Need a sustainable program
 - Report is due December 20, 2018; will need a draft by Dec 10 to allow review time
 - Will need to work closely with the permit committee
- What information is needed or what needs to be considered?
 - How will permits be approved and when the fees be applied?
 - Fees typically applied at submittal, completeness review, substantive review and monthly billing
 - May want to consider how other ADEQ programs apply fees
 - Can we set a fee for the first few years and then reassess a couple of years into the program?
 - Want to avoid having surplus revenues in a fund which can be swept for other uses
 - Need to consider impact of fees on all types of stakeholders especially individual landowners and smaller entities
 - When does the time start on the timeframes and when fees applied?
 - Do fees need to cover startup costs?
- The group discussed whether the TWG should recommend that the program should not be fee funded and go back to the legislature to request general fund revenues to pay program costs
 - Need funding to sustain program but number of permits is variable
 - ADEQ could go to the Governor's office with input from stakeholders to determine if a non-fee funded program is possible
 - Consider including an option in the report to fund the program partially by fees with supplemental general fund revenues
- How will ADEQ do the JDs?

- If done internally could be a different fee
- Hard to evaluate the fee structure without knowing time frames (need input from the permit group as soon as possible)
- Need a small and large business analysis

Decisions:

- Vice Chair: Mason Bolitho
- Meeting Schedule: Every other Tuesday, starting Sept 18 at 2 pm
- The option of having the program only partially fee funded will remain on the table until more information is known regarding program costs and potential fees

Future Discussion Needed:

- What might be the impacts to the licensing time frames rule?
- Need to determine what fee rule amendments might be needed
- ADEQ presentation on how fees are applied (Linda Taunt)

Action Items:

- ADEQ to provide information on the number of permits issued
- Send copy of fee rule to Work Group members.
- Read ADOT's 404 Guideline – send out link to Work Group members.

Next Meeting Agenda:

- ADEQ presentation of raw data on current 404 applications
- 401 Permit Costs overview

Links

- The Fee Rule AAC R18-14 https://apps.azsos.gov/public_services/Title_18/18-14.pdf
- ADOT 404 Guide: https://www.azdot.gov/docs/default-source/environmental-planning-library/adot404_401guidance-manual_final_october2013.pdf?sfvrsn=2